

Emergency Rules

Title 13—DEPARTMENT OF SOCIAL SERVICES Division 70—MO HealthNet Division Chapter 15—Hospital Program

EMERGENCY AMENDMENT

13 CSR 70-15.010 Inpatient Hospital Services Reimbursement Plan; Outpatient Hospital Services Reimbursement Methodology. The division is amending subsection (3)(B).

PURPOSE: *This amendment provides for the State Fiscal Year (SFY) 2016 trend factor to be applied in determining Federal Reimbursement Allowance (FRA) funded hospital payments for SFY 2016.*

EMERGENCY STATEMENT: *The Department of Social Services, MO HealthNet Division (MHD) finds that this emergency amendment is necessary to preserve a compelling governmental interest of collecting state revenue in order to provide health care to individuals eligible for the MO HealthNet program and for the uninsured. An early effective date is required because this emergency amendment establishes the Federal Reimbursement Allowance (FRA) funded hospital payments for dates of service beginning July 1, 2015 in regulation to ensure that quality health care continues to be provided to MO HealthNet participants and indigent patients at hospitals that have relied on MO HealthNet payments to meet those patients' needs. In order to determine the trends for State Fiscal Year (SFY) 2016, all relevant information from the necessary sources must be available to MHD. The division uses the best information available when it starts calculating the payments so it uses the trend published in the **First Quarter Healthcare Cost Review** publication which is generally not available until May. The division must also analyze hospital data, which is not complete until near the end of the state fiscal year, in conjunction with the trend and funding to determine the appropriate level of payments. Without this information, the trends cannot be determined; therefore, due to timing of the receipt of this information and the necessary July 1, 2015 effective date, an emergency regulation is necessary. As a result, the MHD finds an immediate danger to public health, safety, and welfare which requires emergency actions. If this emergency amendment is not enacted, there would be significant cash flow shortages causing a financial strain on Missouri hospitals which serve over nine hundred twenty-six thousand (926,000) MO HealthNet participants plus the uninsured. This financial strain, in turn, will result in an adverse impact on the health, safety, and welfare of MO HealthNet participants and uninsured individuals in need of medical treatment. This emergency amendment limits its scope to the circumstances creating the emergency and complies with the protections extended by the **Missouri and United States Constitutions**. The MHD believes this emergency amendment to be fair to all interested persons and parties under the circumstances. The emergency amendment was filed June 19, 2015, becomes effective July 1, 2015, and expires December 28, 2015.*

(3) Per Diem Reimbursement Rate Computation. Each hospital shall receive a MO HealthNet per diem rate based on the following computation:

(B) Trend Indices (TI). Trend indices are determined based on the four- (4-) quarter average DRI Index for DRI-Type Hospital Market Basket as published in *Health Care Costs* by DRI/McGraw-Hill for each State Fiscal Year (SFY) 1995 to 1998. Trend indices starting in SFY 1999 will be determined based on CPI Hospital indexed as published in *Health Care Costs* by DRI/McGraw-Hill, or equivalent publication regardless of any changes in the name of the publication or publisher, for each State Fiscal Year (SFY). **Trend indices starting in SFY 2016 will be determined based on the Hospital Market Basket index as published in *Healthcare Cost Review* by Institute of Health Systems (IHS), or equivalent publication regardless of**

any changes in the name of the publication or publisher, for each State Fiscal Year (SFY).

1. The TI are—

- A. SFY 1994—4.6%
- B. SFY 1995—4.45%
- C. SFY 1996—4.575%
- D. SFY 1997—4.05%
- E. SFY 1998—3.1%
- F. SFY 1999—3.8%
- G. SFY 2000—4.0%
- H. SFY 2001—4.6%
- I. SFY 2002—4.8%
- J. SFY 2003—5.0%
- K. SFY 2004—6.2%
- L. SFY 2005—6.7%
- M. SFY 2006—5.7%
- N. SFY 2007—5.9%
- O. SFY 2008—5.5%
- P. SFY 2009—5.5%
- Q. SFY 2010—3.9%

R. SFY 2011—3.2%—The 3.2% trend shall not be applied in determining the per diem rate, Direct Medicaid payments, or uninsured payments.

- S. SFY 2012—4.0%
- T. SFY 2013—4.4%
- U. SFY 2014—3.7%
- V. SFY 2015—4.3%
- W. SFY 2016—2.5%**

2. The TI for SFY 1996 through SFY 1998 are applied as a full percentage to the OC of the per diem rate and for SFY 1999 the OC of the June 30, 1998, rate shall be trended by 1.2% and for SFY 2000 the OC of the June 30, 1999, rate shall be trended by 2.4%. The OC of the June 30, 2000, rate shall be trended by 1.95% for SFY 2001.

3. The per diem rate shall be reduced as necessary to avoid any negative Direct Medicaid payments computed in accordance with subsection (15)(B).

4. A facility previously enrolled for participation in the MO HealthNet Program, which either voluntarily or involuntarily terminates its participation in the MO HealthNet Program and which reenters the MO HealthNet Program, will receive the same inpatient rate and outpatient rate as the previous owner/operator. Such facility will also receive the same Direct Medicaid Add-On Payment and Uninsured Add-On Payment as the previous owner/operator if the facility reenters the MO HealthNet Program during the same state fiscal year. If the facility does not reenter during the same state fiscal year, the Direct Medicaid Add-On Payment and Uninsured Add-On Payment will be determined based on the applicable base year data (i.e., fourth prior year cost report for the Direct Medicaid Payment; see 13 CSR 70-15.220 for the applicable data for the Uninsured Add-On Payment). If the facility does not have the applicable base year data, the Direct Medicaid Add-On Payment and the Uninsured Add-On Payment will be based on the most recent audited data available and will include annual trend factor adjustments from the year subsequent to the cost report period through the state fiscal year for which the payments are being determined.

AUTHORITY: *sections 208.153[,] and 208.201, RSMo Supp. 2013, and section[s] 208.152, RSMo Supp. 2014. This rule was previously filed as 13 CSR 40-81.050. Original rule filed Feb. 13, 1969, effective Feb. 23, 1969. For intervening history, please consult the **Code of State Regulations**. Emergency amendment filed June 19, 2015, effective July 1, 2015, expires Dec. 28, 2015. An emergency amendment covering this same material will be published in the August 3, 2015, issue of the **Missouri Register**.*